



# **Transforming Health Care with Telehealth: Today's Barriers and Tomorrow's Solutions**

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Webinar for the Northwest Telehealth Resource Center

Center for Connected Health Policy • 877-707-7172  
[cchpca.org](http://cchpca.org) • [telehealthpolicy.us](http://telehealthpolicy.us)

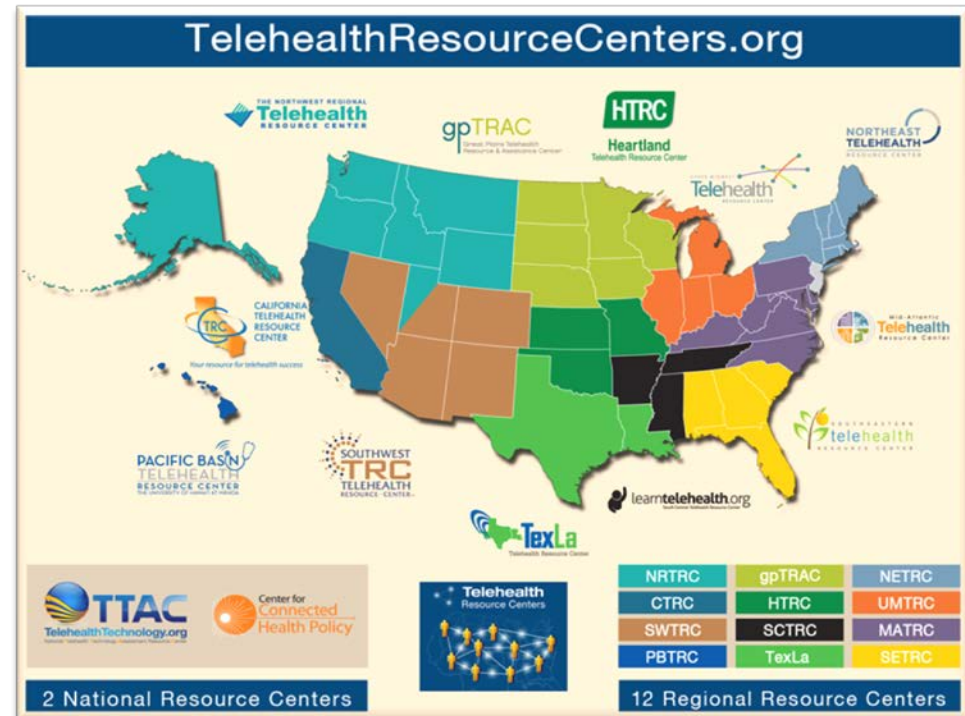
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- Any information provided in today's talk is not to be regarded as legal advice. Today's talk is purely for informational purposes.
- Always consult with legal counsel.
- CCHP has no relevant financial interest, arrangement, or affiliation with any organizations related to commercial products or services to be discussed at this program.





- Created with funds from the California HealthCare Foundation in 2008
- We develop and advance state and national telehealth policy solutions to promote improvements in health and health systems



# [www.telehealthpolicy.us](http://www.telehealthpolicy.us)

- A one-stop shop for accurate, up-to-date information on telehealth policy and legal issues
- Includes an interactive policy map that reveals telehealth laws, regulations, state Medicaid policies, and pending legislation for all 50 states and DC


NATIONAL  
**Telehealth  
Policy** RESOURCE  
CENTER

1 2 3 4 5

**Telehealth  
technologies** are valuable  
assets to help achieve the “Triple Aim”  
of improved quality of care, better  
health outcomes, and lowered costs.  
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# Federal & State Policies



# Federal Policies

- **Medicare:** Outdated & limited to live video & only in strictly defined rural locations
- **HHS FedTel Working Group -26 Agencies**
  - Identified 7 unique definitions of telehealth in use across federal govt
  - Store-and-Forward has five definitions from four agencies
  - M-Health defined in only three agencies



# Current Federal Legislation

- **S 596** (Thune, D-SD) – Fostering Independence Through Technology (FITT) Act
- **HR 2001** (Rangel, D-NY) – VETS Act of 2013
- **HR 3077** (Nunes, R-CA) – TELE-MED Act of 2013
- **HR 3303** (Blackburn, R-TN) – SOFTWARE Act of 2013
- **HR 3306** (Harper, R-MS) – Telehealth Enhancement Act
- **HR 3507** (Peters, D-CA) – 21<sup>st</sup> Century Care for Military Veterans Act
- **HR 3577** (Peters, D-CA) – Commission on Health Care Savings Through Innovative Wireless Technologies
- **HR 3750** (Matsui, D-CA) – Definition for Telehealth
- **HR 5380** (Thompson, D-CA) – Medicare Telehealth Parity Act of 2014





# FEDERAL LANDSCAPE 2014 FORWARD

## FEDERAL LEGISLATION

- **HR 5380 (Thompson, Harper & Welch)**
  - For Medicare, phased-in increase of eligible geographic locations; adding home as eligible site; reimbursing for RPM; reimbursing for S&F
- **HR 3306 (Harper, Nunes, Thompson & Welch) & S 2662 (Cochran, Wicker)**
  - For Medicare, expand list of eligible originating sites including the home; small expansion of S&F to CAHs & sole community hospitals; for liability purposes services furnished at the provider's location; allows for the use of RPM in specialty medical homes contracts

## OTHER FEDERAL AGENCIES

- Food & Drug Administration - mHealth
- Federal Communications Commission – Open Internet

## OTHER FEDERAL ACTIVITIES

- Federation of State Medical Boards – Licensing Compact/Interstate Licensure
- Professional Organizations Telehealth/Telemedicine Guidelines – FSMB & AMA
- NPRM Medicare expansion of reimbursable services to include psychiatric care





# CMS Proposed New Rules Regarding Telehealth

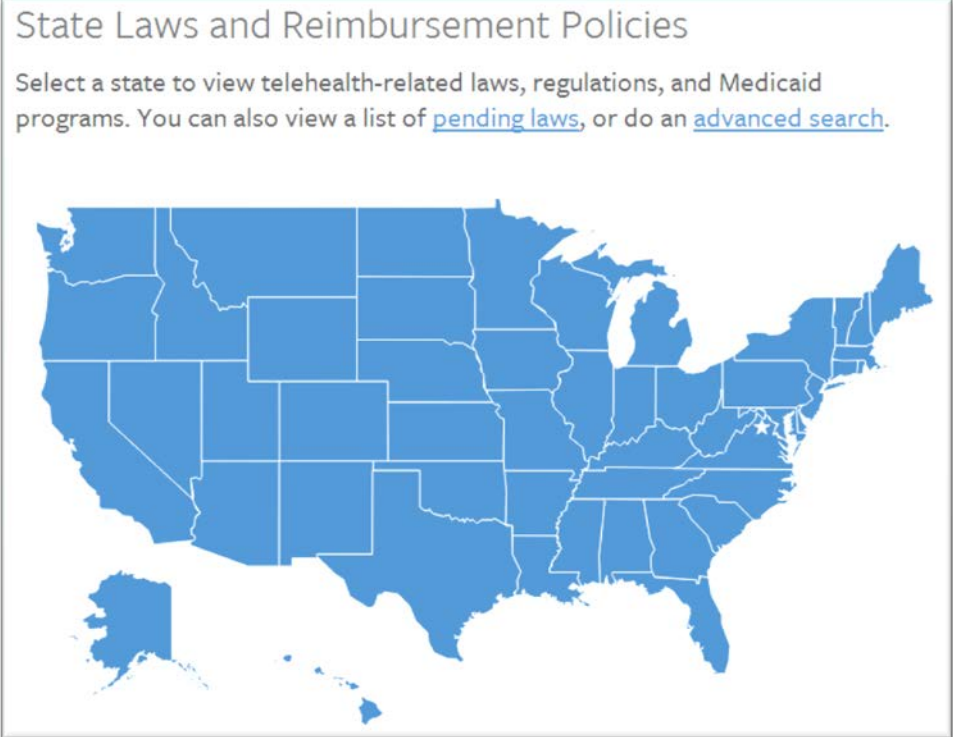
- Psychotherapy, psychoanalysis & wellness using telehealth to be covered as category 1 service for **rural** beneficiaries
- A new billing category for non-face-to-face chronic care management (CCM) services, as a unique, covered service designed to pay separately for non-face-to-face care coordination services furnished to beneficiaries with two or more chronic conditions.
  - Exempt from telehealth definition-can include asynchronous and patient monitoring, and rural residency requirement for beneficiary



# The National Telehealth Policy Resource Center

## [www.telehealthpolicy.us](http://www.telehealthpolicy.us)

- Provides thorough, accurate, and current information on telehealth policy and issues
- Provides telehealth policy tracking, analysis, and technical assistance for twelve regional telehealth resource centers (TRCs)
- Independent, nonpartisan national resource on telehealth policy issues



# Current State Telehealth Policies



**41 states have a definition for “telemedicine”**

**17 states have a definition for “telehealth”**

**2 states have no definition for either**

**44 states reimburse for live video**

**10 states reimburse for remote patient monitoring**

**7 states reimburse for store-and-forward**

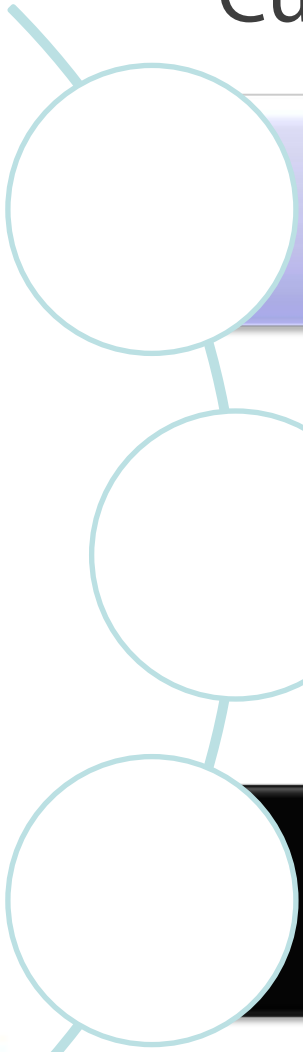
**Most common reimbursements: consultations, mental health, and radiology**

**Most common providers reimbursed: physicians and nurses**

**Most states have some form of reimbursement by Medicaid for telehealth delivered services, but **NO TWO STATES ARE ALIKE!****

*As of Feb. 2014*

# Current State Telehealth Policies



**21 states require informed consent in statute and/or Medicaid policy**  
**23 states have some special law that applies to cross-state licensure**  
**21 states (and DC) passed laws that impact private payers**

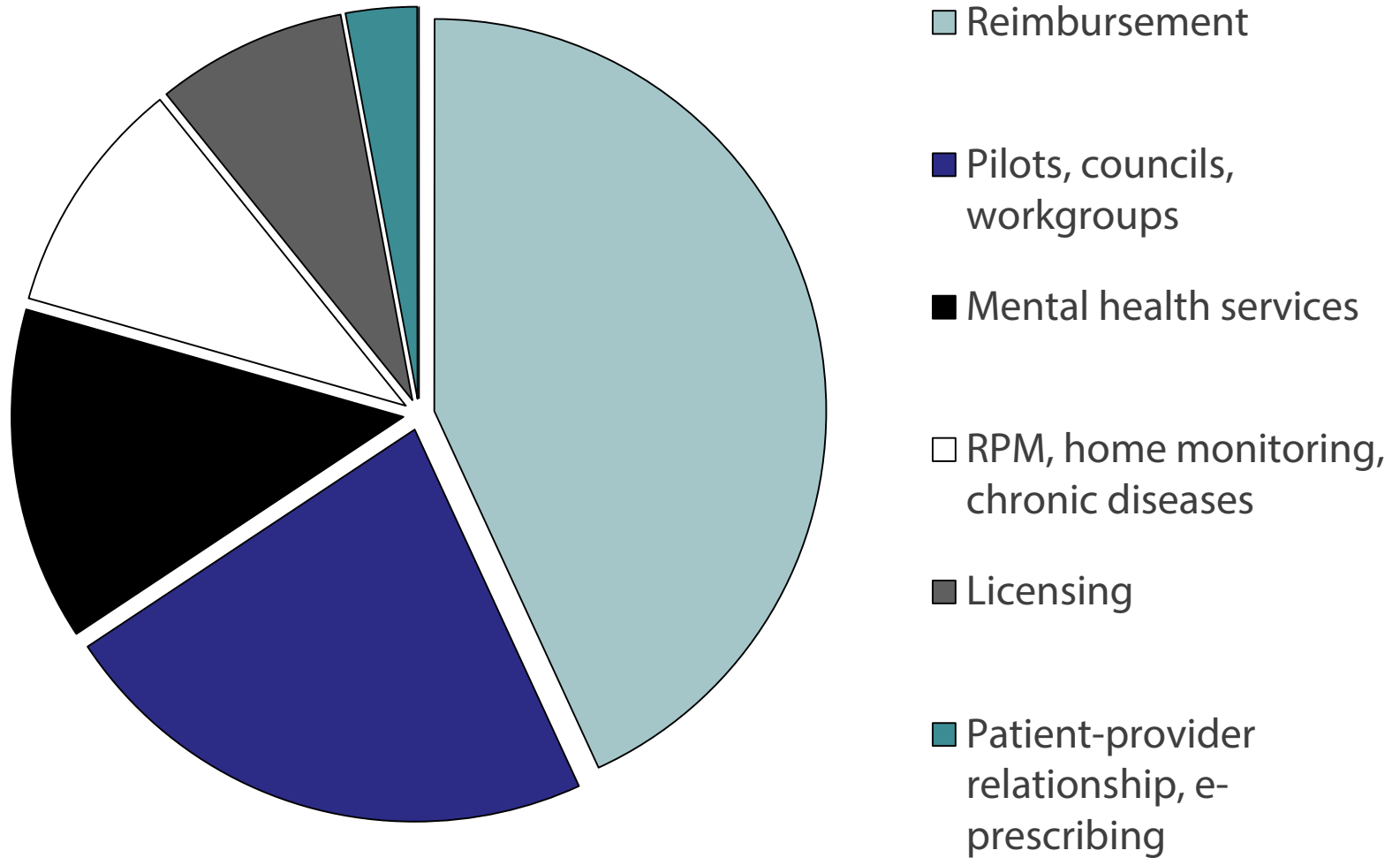
**8 states have geographic limitations**  
**10 states include SNFs and LTCs as eligible sites**  
**7 states include a specific list of facilities as eligible sites**  
**23 states are silent about location**

**Unique reimbursement services: home health, dental, speech-language pathology**  
**Unique reimbursement providers: physician assistants, physical therapists, speech pathologists, dieticians, genetic counselors**

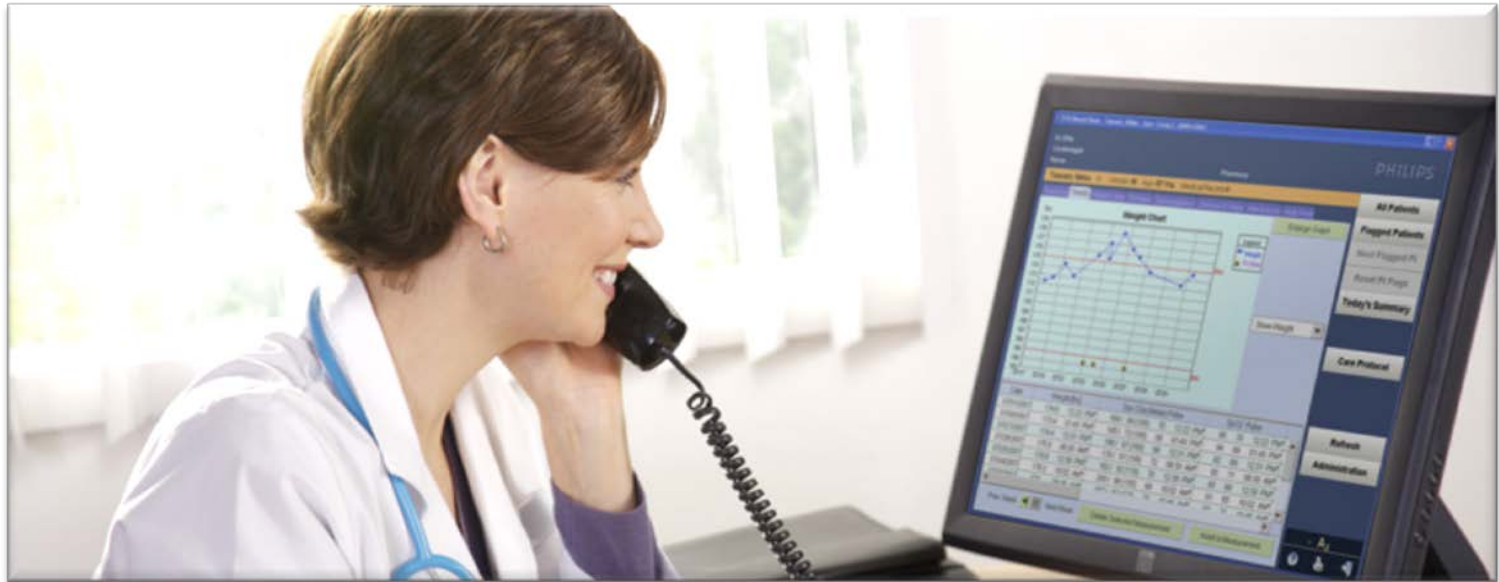
*As of Feb. 2014*

# ACTIVE STATE LEGISLATION:

**192 ACTIVE BILLS\*** as of April, 2014

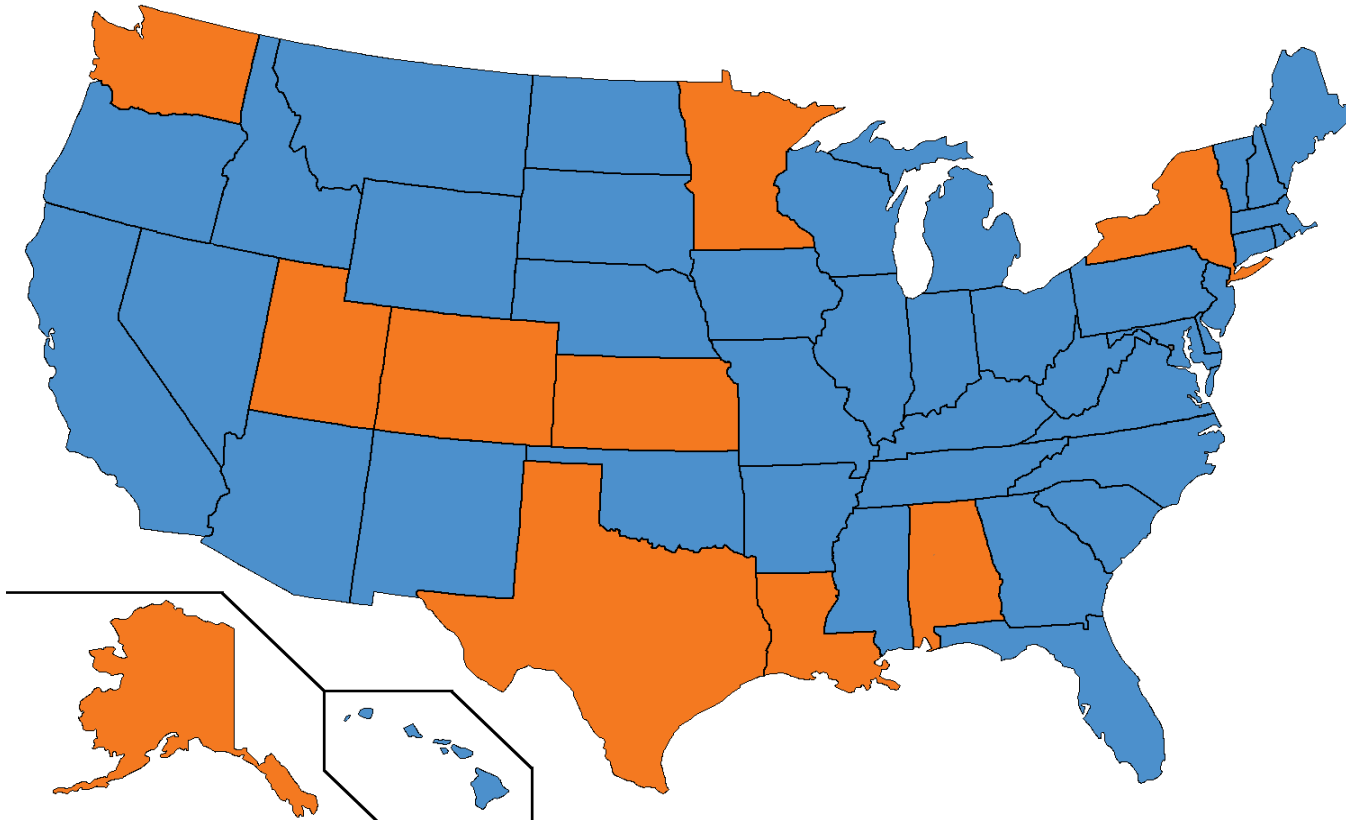


# Remote Health Monitoring



# MEDICAID: RPM REIMBURSEMENT

- Ten state Medicaid programs reimburse some form of remote patient monitoring



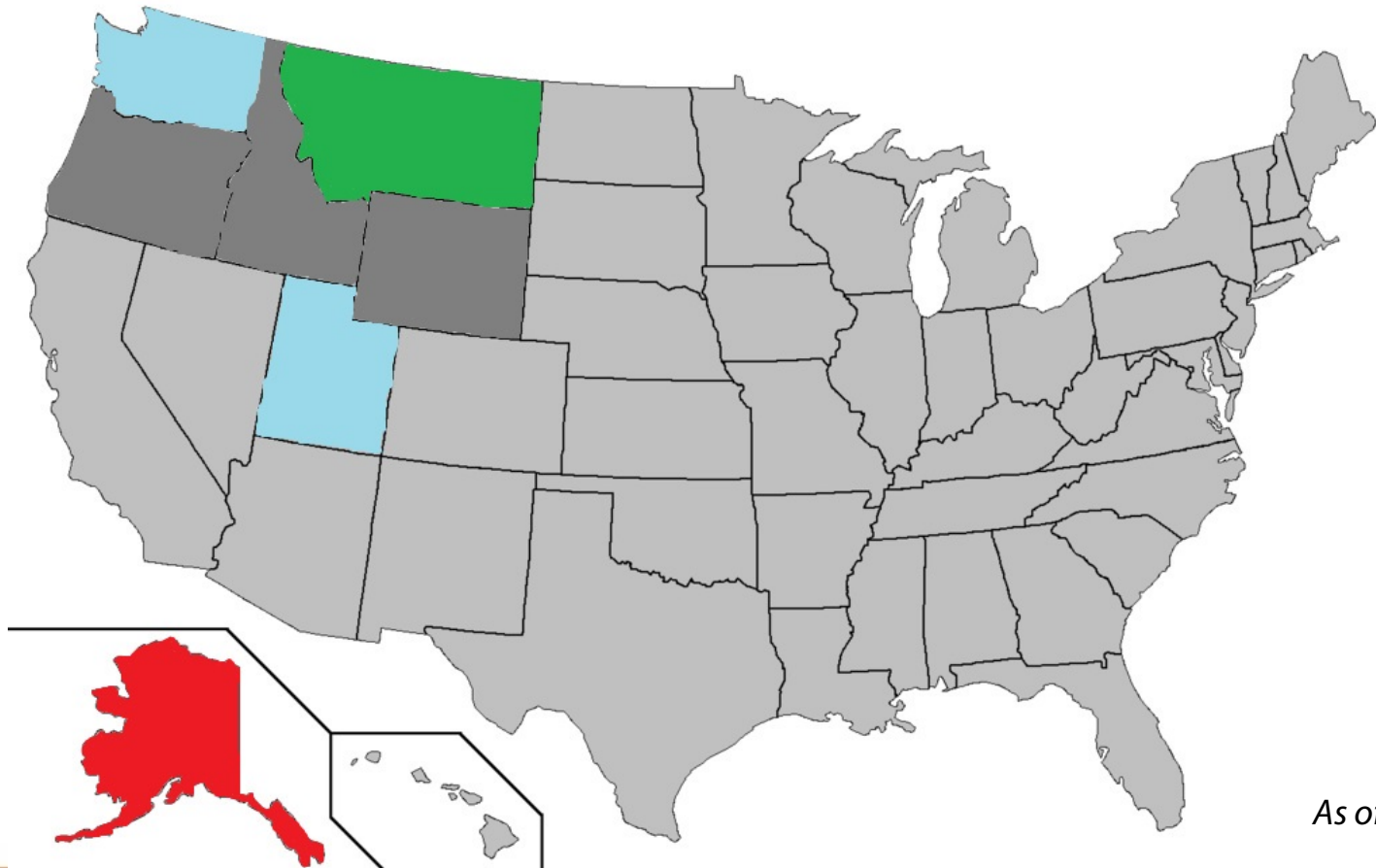
*As of Feb. 2014*





# NWTRC STATES – RPM & S&F

- **Alaska – RPM & S&F**
- **Washington & Utah – RPM**
- **Montana – S&F**



*As of Feb. 2014*



# NWTRC STATES – RPM & S&F

## **Alaska Medicaid**

- Reimburses for S&F
- Reimburses for “self-monitoring” defined as “patient is monitored in his or her home via a telemedicine application, with the provider indirectly involved from another location.”

## **Montana Private Payers**

- Private payer law requires coverage for services delivered through store & forward technology.



# NWTRC STATES – RPM & S&F

## **Utah Medicaid**

- Reimbursement available under UT Medicaid Telehealth Skilled Nurse Pilot Project for Patients in Rural Areas – Series of requirements including must be for diabetes, for patient to be eligible needs to travel over more than 50 paved road miles to obtain in-person services, etc. Unknown how many actually participate in this pilot.

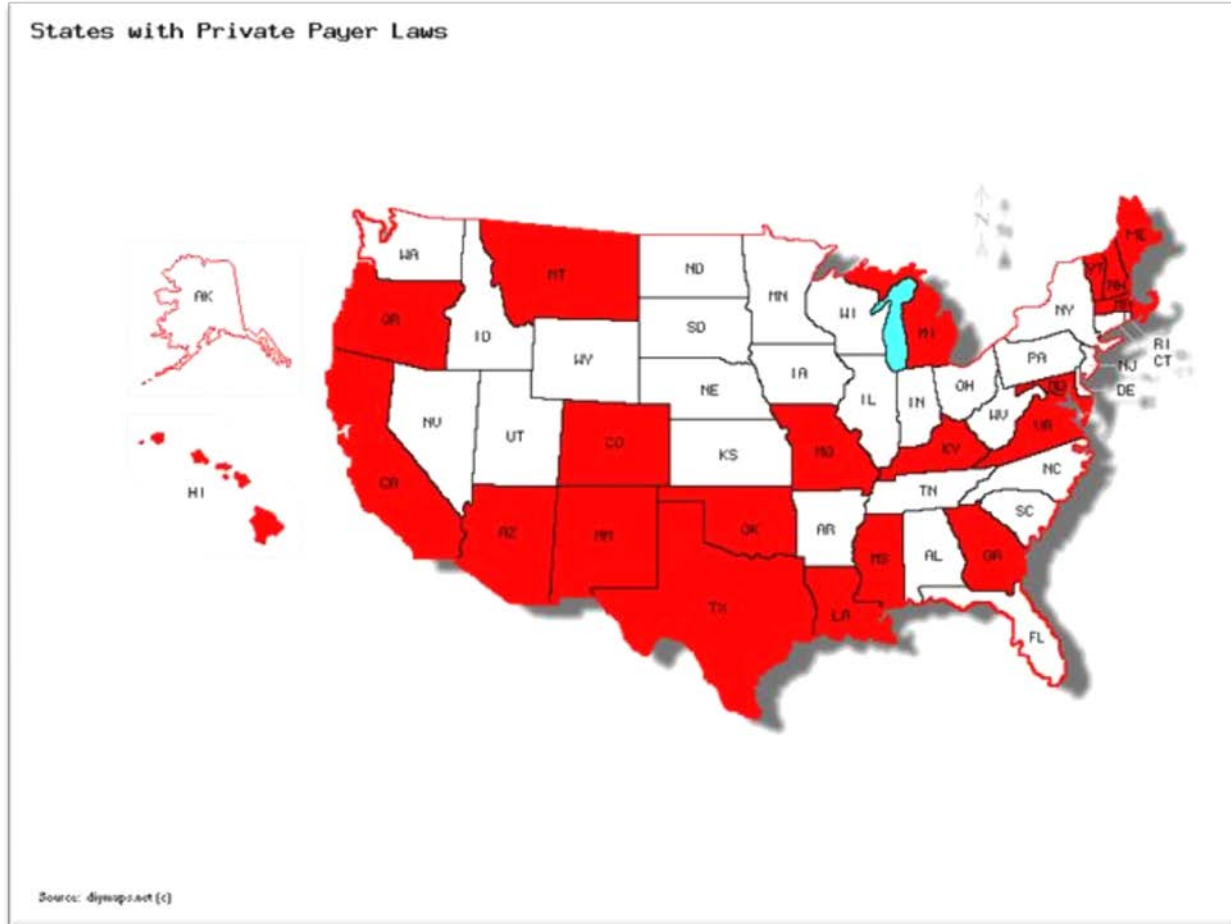
## **Washington Medicaid**

- Assessment & monitoring of clinical data
- Detection of condition changes based upon telemedicine encounter
- Implementation of a monitoring plan

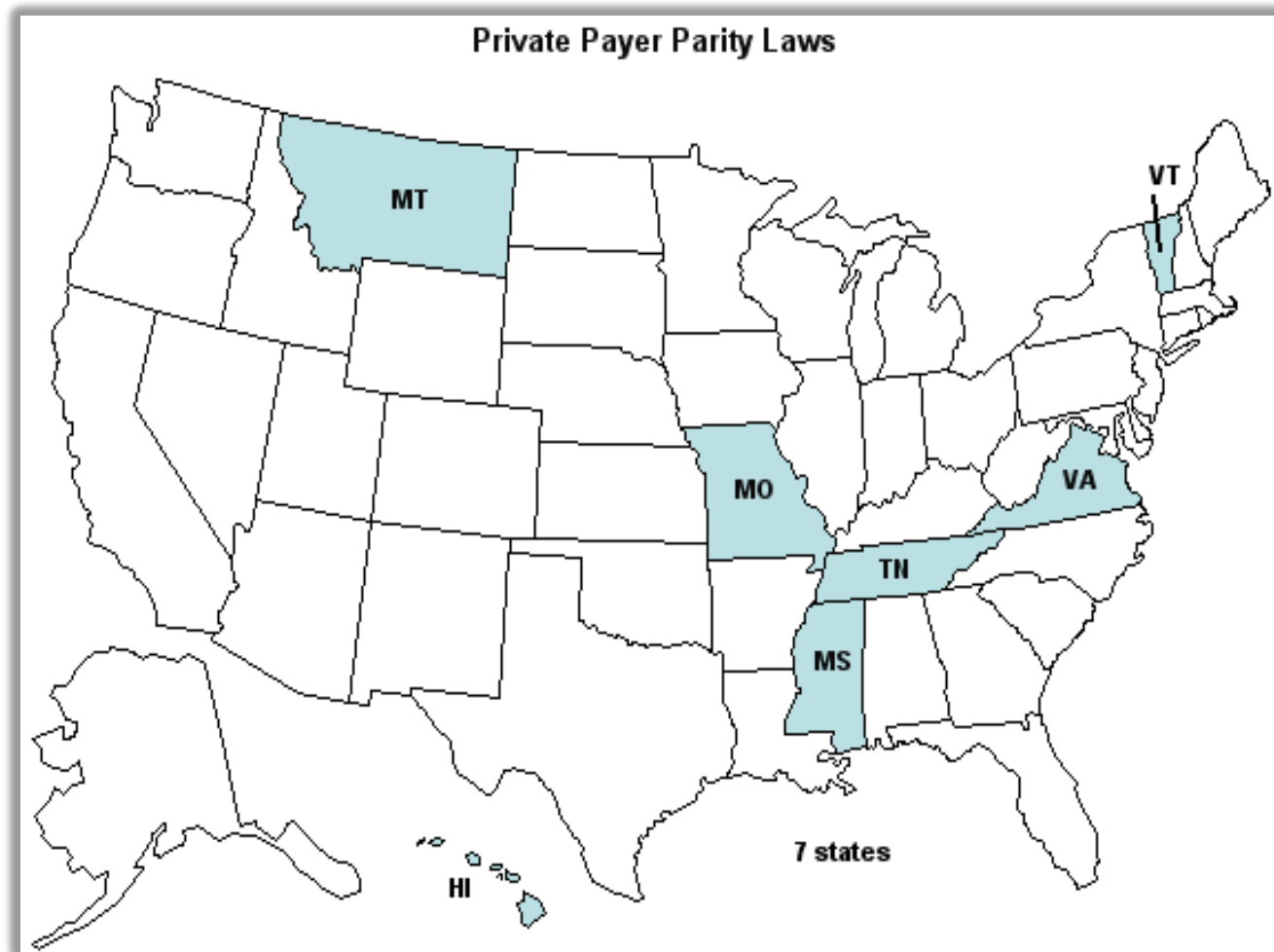


# Private Payer Laws

**22 states** (and DC) have laws related to private payer reimbursement of telehealth.



# States with Private Payer Parity Laws



*As of Feb. 2014*



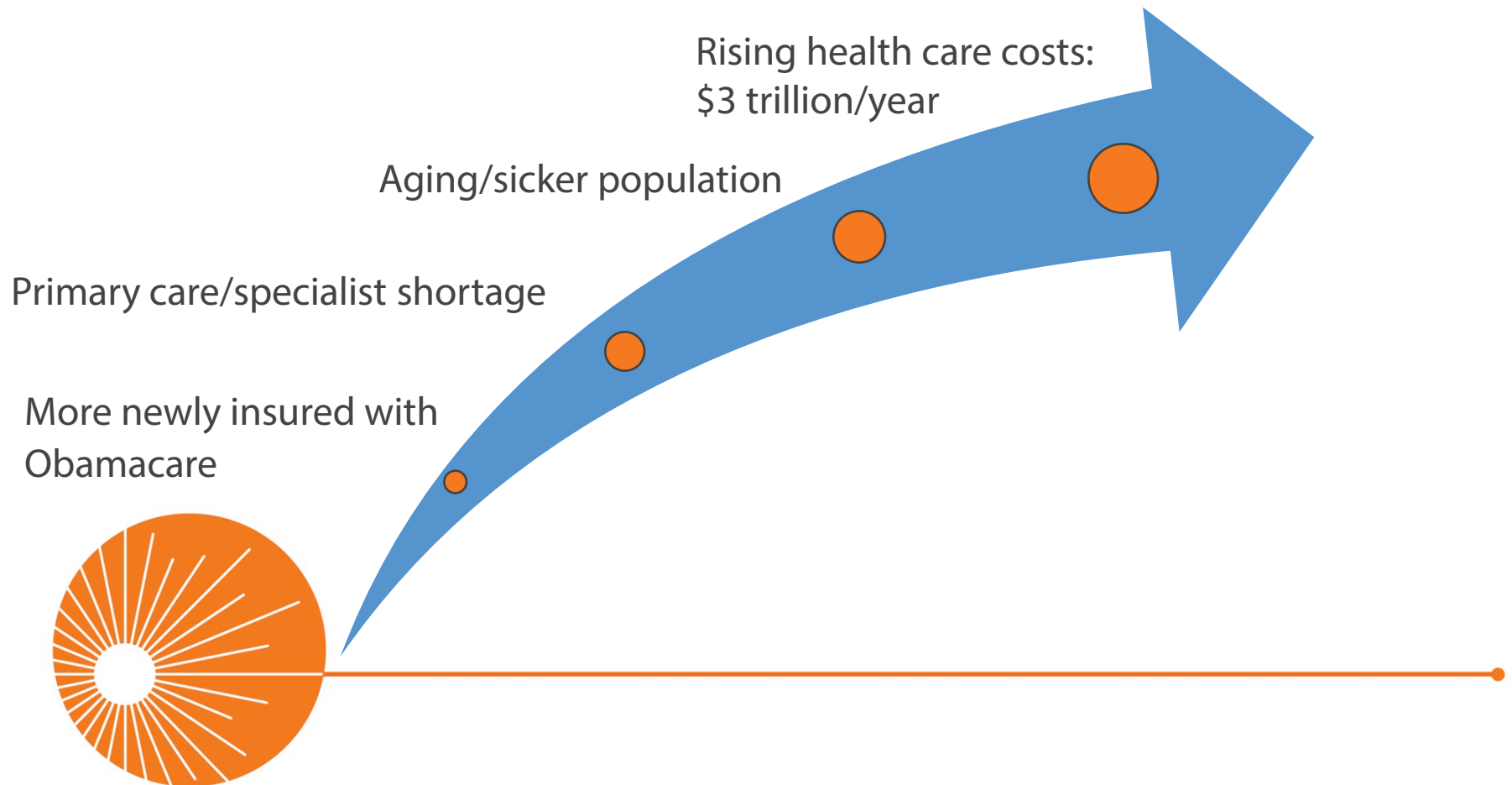
# Private Insurer Parity Payment Mandates

*“A health insurance carrier shall reimburse for telehealth services under the same reimbursement policies that the benefit plan permits for in-person encounters”.*

**State of Tennessee: effective October 1, 2014**



# THE CHANGING HEALTHCARE LANDSCAPE: 2014





# THE ANSWER TO OUR NATIONAL HEALTH CARE DILEMMA

What can...

- Dramatically **EXPAND ACCESS?**
- **IMPROVE QUALITY?**
- **ENHANCE** the patient experience?
- And **SAVE MONEY??**





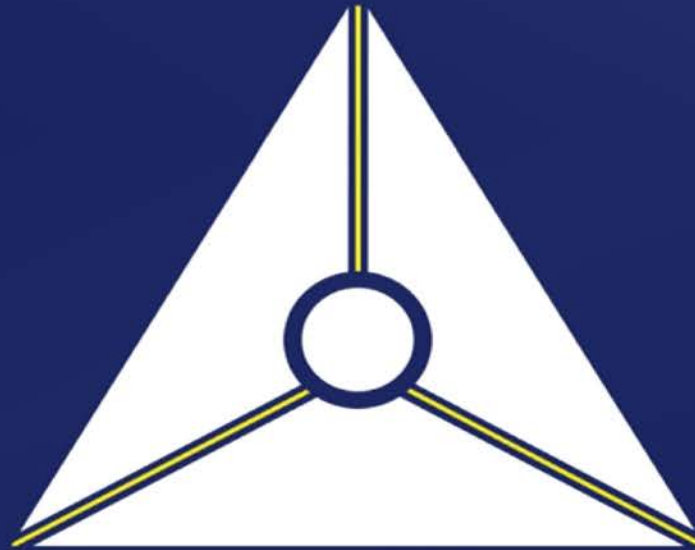
# Telehealth and the Triple Aim: A Forum For Advancing Knowledge And Practice

**Sacramento, CA**  
**April 23, 2014**



# — Triple Aim —

Better health



Better care

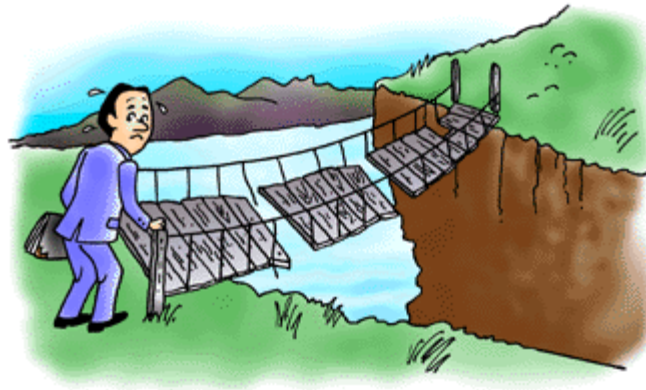
Lower cost



# Getting from Volume-to-Value

## Volume-based

- Pay for service (volume)
- Cost-based reimbursement
- Hospital/physician independence
- Inpatient focus
- Stand-alone care systems
- Illness care

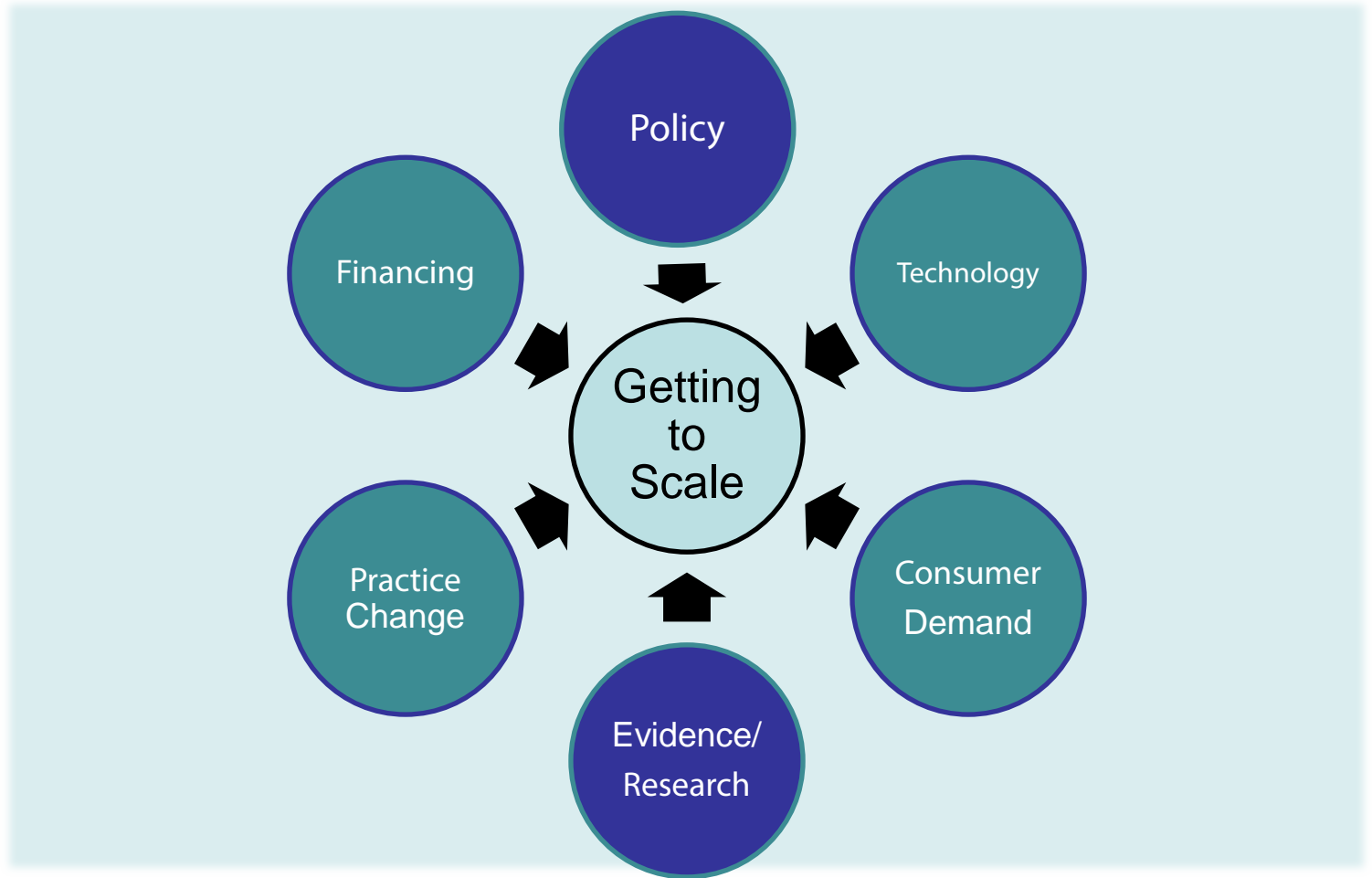


## Value-based

- Pay for results (quality/efficiency)
- Shared risk
- Partnerships and collaborations
- Continuum of care
- Community health improvement (HIT)
- Wellness care



# GETTING TO SCALE: SIX DRIVERS OF CHANGE



# Disruptive Operational Policies

- Digital communications-moving outside traditional four walls
  - Public/Private payers assign value to care delivered virtually comparable to in-person
- Health systems must shift thinking from **ROI to R&D** to be competitively positioned
- Patient and Provider **Incentives** Work---  
Use them.





## **Solutions in action**

Payers & Providers Working Together

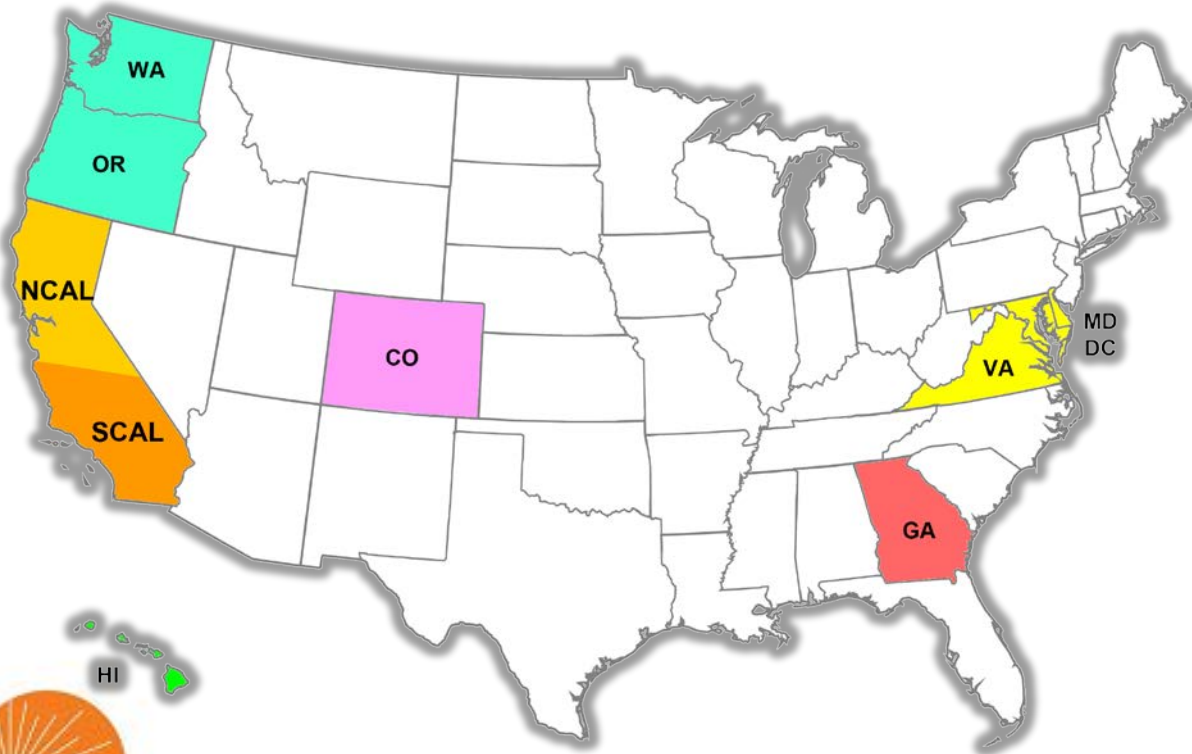




# Kaiser Permanente

- Nation's largest **nonprofit** health plan
- Integrated health care delivery

3 Organizations in one: Health insurer, hospital system, physician partnerships

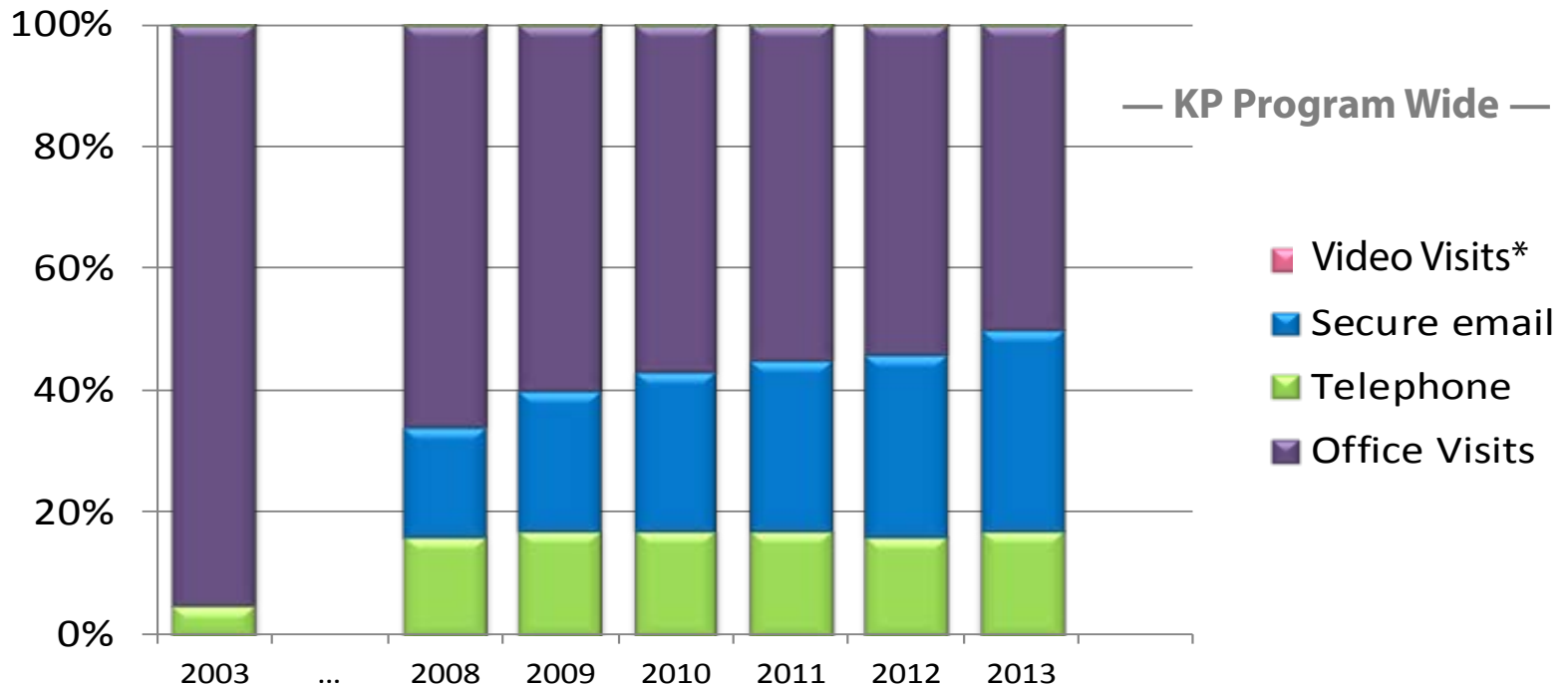


- 9.3M members
- 17K physicians
- 174K employees
- \$53B revenue
- 60% of adult members on kp.org
- Kp.org is part of EHR – a patient portal



# Transforming Primary Care Encounters

Care is not just delivered in face-to-face visits now. It is now done on the phone and through secure emails. In 2003, there were essentially 0% secure emails – Now it represents 33% of the primary care patient encounters.



\* 4376 in 2013

Source: UCDA Core Value Metrics



# Improved engagement, quality, and satisfaction

## Member retention

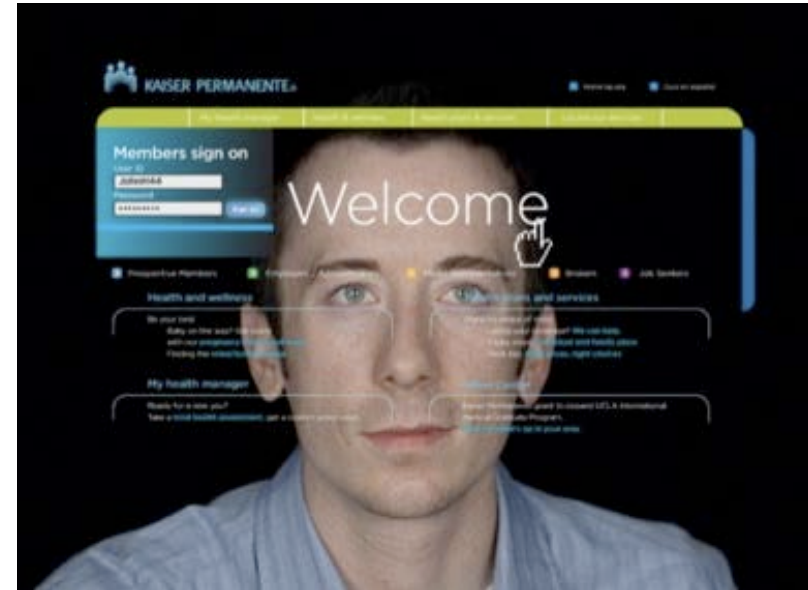
- My Health Manager users were 2.6 times more likely to remain members <sup>1</sup>

## Quality of care improved

- 2.0 to 6.5% improvement - glycemic (HbA1c), cholesterol, and blood pressure screening and control<sup>2</sup>
- Refill improves outcomes (LDL) <sup>3</sup>

## High patient satisfaction

- 85% rated encounters 8 or 9 on a 9 pt scale<sup>4</sup>



<sup>1</sup> Turley, Marianne; Garrido, Terhilda; Lowenthal, Alex; Zhou, Yi Yvonne, "Association Between Personal Health Record Enrollment and Patient Loyalty," Am J Manag Care. 2012;18(7):e248-e253 (web exclusive)

<sup>2</sup> Zhou, Yi Yvonne; Kanter, Michael H; Wang, Jian J; Garrido, Terhilda, "Improved Quality at Kaiser Permanente Through E-Mail Between Physicians and Patients," Health Affairs, Vol 29, No 7 (2010); 1370-1375.

<sup>3</sup> Sarkar, Urmimala, Lyles, Courtney; Parker, Melissa; Allen, Jill, et al., "Use of the Refill Function Through an Online Patient Portal is associated With Improved Adherence to Statins in an Integrated Health System," Medical Care, Vol 00, No 00 (2013)

<sup>4</sup> Internal KP study, "Harvesting Value: Early Findings from Kaiser Permanente HealthConnect™" presented to Center for Information Therapy by T Garrido, C Serrato, J Oldenburg (1/15/2008)





## **Sisters of Mercy Health System in St. Louis**

**Nation's First Virtual Care Center-Opening 2015**

- **Largest Tele-ICU network & 75 other services**



“Telemedicine lets us provide the **best possible care** to people where and when they need it – even when patients wouldn’t otherwise have **access** to specialists, such as neurologists and pediatric cardiologists,...We’ve pioneered a telehealth plan that no longer limits advanced care because of age, illness or geography. We can deliver a **higher level of care** to more people, and the virtual care center is at the heart of it – providing care for today while also developing the **health care of tomorrow**.”

---Lynn Britton, Mercy president and CEO



# Thank You

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